

CREATION OF WATER DISTRICTS

§293.11. Information Required to Accompany Applications for Creation of Districts.

(a) Creation applications for all types of districts shall contain the following:

(1) \$700 non refundable application fee;

(2) if a proposed district's purpose is to supply fresh water for domestic or commercial use or to provide wastewater services, roadways, or drainage, a certified copy of the action of the governing body of any municipality in whose extraterritorial jurisdiction the proposed district is located, consenting to the creation of the proposed district, pursuant to Local Government Code, §42.042. If the governing body of any such municipality fails or refuses to grant consent, the petitioners must show that the provisions of Local Government Code, §42.042 have been followed.

(3) if city consent was obtained pursuant to paragraph (2) of this subsection, provide the following:

(A) evidence that the application conforms substantially to the city consent; provided, however, that nothing herein shall prevent the commission from creating a district with less land than included in the city consent;

(B) evidence that the city consent does not place any conditions or restrictions on a district other than those permitted by Texas Water Code, §54.016(e);

(4) a statement by the appropriate secretary or clerk that a copy of the petition for creation of the proposed district was received by any city in whose corporate limits any part of the proposed district is located;

(5) evidence of submitting creation petition and report to appropriate agency regional office;

(6) if substantial development is proposed, a market study and a developer's financial statement;

(7) if the petitioner is a corporation, trust, partnership, or joint venture, a certificate of corporate authorization to sign the petition, a certificate of the trustee's authorization to sign the petition, a copy of the partnership agreement or a copy of the joint venture agreement as appropriate to evidence that the person signing the petition is authorized to sign the petition on behalf of the corporation, trust, partnership, or joint venture;

(8) a vicinity map;

(9) unless waived by the executive director, for districts where substantial development is proposed, a certification by the petitioning landowners that those lienholders who signed the petition

or a separate document consenting to the petition, or who were notified by certified mail, are the only persons holding liens on the land described in the petition;

(10) other related information as required by the executive director.

(b) Creation applications for Chapter 36, Texas Water Code, Groundwater Conservation Districts shall contain the items listed in subsection (a) of this section and the following items:

(1) a petition containing the matters required by Texas Water Code, §36.013, signed by the majority of the landowners in the proposed district, or if there are more than 50 landowners, at least 50 of those landowners. The petition shall include the following:

(A) the name of the proposed district;

(B) the area and boundaries of the proposed district, including a map generally outlining the boundaries of the proposed district;

(C) the purpose or purposes of the proposed district;

(D) a statement of the general nature of any projects proposed to be undertaken by the district, the necessity and feasibility of the work, and the estimated cost of those projects according to the petitioners if the projects are to be funded by the issuance of bonds or notes; and

(E) any additional terms or conditions that limit the powers of the proposed district from those authorized in Chapter 36, Texas Water Code.

(2) evidence that the boundaries are coterminous with or inside the boundaries of a delineated groundwater management area, critical area, or underground water reservoir or subdivision thereof. A groundwater conservation district may include all or part of one or more counties, cities, districts, or other political subdivision and may consist of separate bodies of land within a groundwater management area, critical area, or underground water reservoir or subdivision thereof separated by land not included in the proposed district. Evidence shall show:

(A) a rule adopted by the commission designating a groundwater management area as provided in the Texas Water Code, §35.004, and §§293.21-293.25 of this title (relating to Designation of Groundwater Management Areas), designating a critical area as provided under the Texas Water Code, §§35.007-35.012, or an order designating delineation of an underground water reservoir or subdivision thereof; or

(B) if part of the proposed district is not included within either a delineated groundwater management area, critical area, or underground water reservoir or a subdivision thereof, the petition may also contain a request (meeting the requirements of the Texas Water Code, §35.005 and §§293.21 - 293.25 of this title) to create or alter the boundaries of a management area. If such a request is made, it may be acted upon separately by the commission from the petition for the creation of the proposed district;

(3) a map showing the proposed district's boundaries, metes and bounds, area, physical culture, and computation sheet for survey closure;

(4) a vicinity map (22-24 inches by 36 inches or in a digital data electronic format) showing as appropriate the location of municipalities, highways, roads, and other improvements, together with the areal extent of groundwater aquifers, reservoirs, or subdivisions thereof, and showing the location of known recharge (i.e., outcrops of aquifer units, karst features, etc.) or discharge (i.e., known seeps, springs, etc.) features, and any other information pertinent to the creation of the proposed district;

(5) a geologic/hydrologic report including as appropriate:

(A) the purpose or purposes of the proposed district and its management planning objectives/goals;

(B) a description of the existing area, conditions, topography, economic endeavors which rely heavily upon groundwater, and any proposed improvements;

(C) a description of the groundwater resources, including the characteristics (i.e., recharge/discharge features, depth of usable groundwater, etc.) of individual aquifers within the proposed district;

(D) complete justification for the creation of the proposed district supported by evidence that the district is feasible, practicable, necessary, and will benefit all of the land to be included in the district;

(E) if the proposed district is located in a designated critical area, a description of how the proposed projects will address issues identified within the critical area;

(F) the existing and projected land use in the proposed district;

(G) the existing and projected groundwater quality, quantity, availability, and usage within the proposed district, including any foreseeable quality, quantity, availability, and usage issues as identified by the petitioners;

(H) the existing and projected population;

(I) an evaluation of the effect the proposed district and its programs will have within the district on the following:

(i) land elevation;

(ii) subsidence;

(iii) groundwater levels;

- (iv) groundwater conservation and availability;
- (v) groundwater quality;
- (vi) monitoring of ambient groundwater conditions;
- (vii) groundwater educational initiatives;

(J) financial information including the following:

- (i) the projected maintenance tax rate, under Texas Water Code, §36.020, which should not exceed 50 cents on each \$100 of assessed valuation;
- (ii) the proposed budget of revenues and expenses for the district;
- (iii) an evaluation of the effect the district and its programs will have on the total tax assessments on all land within the district, including a discussion of current and projected tax rates;
- (iv) tentative itemized cost estimates of the proposed projects and itemized cost summary for anticipated bond issue requirements;

(K) if water supply utility services are proposed:

- (i) an evaluation of the availability of comparable service from other entities, including, but not limited to, water districts, water supply corporations, municipalities, and regional authorities;
- (ii) complete justification, supported by evidence, for the necessity and feasibility of the proposed district to provide water supply services;
- (iii) the current and projected water rates in the proposed district;
- (iv) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirements; and
- (v) any other related technical information as required by the executive director;

(6) a certificate by the county tax assessor(s) indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition. If the tax rolls do not show the petitioners to be the majority of the landowners within the proposed district, then the petitioners shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of the land to the petitioners and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the proposed district;

(7) affidavits by those persons desiring appointment by the commission as temporary directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary directors, and in accordance with Texas Water Code, §§36.051(b) , 36.058, and 36.059(b) for appointment of directors; and

(8) any other data as the executive director may require.

(c) Creation applications for Chapter 51, Texas Water Code, Water Control and Improvement Districts within 2 or more counties shall contain items listed in subsection (a) of this section and the following:

(1) a petition as required by Texas Water Code, §51.013, requesting creation signed by majority of persons holding title to land representing a total value of more than 50 percent of value of all land in proposed district as indicated by county tax rolls, or if there are more than 50 persons holding title to land in the proposed district, the petition can be signed by 50 of them. The petition shall include the following:

(A) name of district;

(B) area and boundaries of district;

(C) constitutional authority;

(D) purpose(s) of district;

(E) statement of the general nature of work and necessity and feasibility of project with reasonable detail;

(F) statement of estimated cost of project.

(2) evidence that the petition was filed with the office of the county clerk of the county(ies) in which the district or portions of the district are located;

(3) a map showing the district boundaries, metes and bounds, area, physical culture, and computation sheet for survey closure;

(4) a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing the location of existing facilities including highways, roads, and other improvements, together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain and 100-year floodway, and any other information pertinent to the project including an inventory of any existing water, wastewater or drainage facilities;

(5) a preliminary engineering report including the following as applicable:

- improvements;
- (A) a description of existing area, conditions, topography and proposed improvements;
 - (B) land use plan;
 - (C) 100-year flood computations or source of information;
 - (D) existing and projected populations;
 - (E) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirement;
 - (F) projected tax rate and water and wastewater rates;
 - (G) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;
 - (H) an evaluation of the effect the district and its systems and subsequent development within the district will have on the following:
 - (i) land elevation;
 - (ii) subsidence;
 - (iii) groundwater level within the region;
 - (iv) recharge capability of a groundwater source;
 - (v) natural run-off rates and drainage;
 - (vi) water quality;
 - (I) a table summarizing overlapping taxing entities and the most recent tax rates by those entities; and
 - (J) complete justification for creation of the district supported by evidence that the project is feasible, practicable, necessary, will benefit all of the land and residents to be included in the district and will further the public welfare.
- (6) a certificate by the county tax assessor indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition or any amended petition. If the tax rolls do not show the petitioner(s) to be the owners of the majority of value of the land within the proposed district, then the petitioner(s) shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of the land to the petitioner(s) and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the district;

(7) affidavits by those persons desiring appointment by the commission as temporary or initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary or initial directors, in accordance with Texas Water Code, §§51.072 and 49.052; and

(8) other information as required by the executive director.

(d) Creation applications for Chapter 54, Texas Water Code, Municipal Utility Districts, shall contain items listed in subsection (a) of this section and the following;

(1) a petition containing the matters required by Texas Water Code, §§54.014 and 54.015 signed by persons holding title to land representing a total value of more than 50 percent of value of all land in proposed district as indicated by county tax rolls, if there are more than 50 persons holding title to land in the proposed district, the petition can be signed by 50 of them. The petition shall include the following:

(A) name of district;

(B) area and boundaries of district described by metes and bounds or lot and block number, if there is a recorded map or plat and survey of the area;

(C) necessity for the work;

(D) statement of the general nature of work proposed;

(E) statement of estimated cost of project.

(2) evidence that the petition was filed with the office of the county clerk of the county(ies) in which the district or portions of the district are located;

(3) a map showing the district boundaries in metes and bounds, area, physical culture, and computation sheet for survey closure;

(4) a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing the location of existing facilities including highways, roads, and other improvements, together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain and 100-year floodway, and any other information pertinent to the project including an inventory of any existing water, wastewater or drainage facilities;

(5) a preliminary engineering report including as appropriate:

(A) a description of existing area, conditions, topography and proposed improvements;

(B) land use plan;

- (C) 100-year flood computations or source of information;
 - (D) existing and projected populations;
 - (E) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirement;
 - (F) projected tax rate and water and wastewater rates;
 - (G) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;
 - (H) an evaluation of the effect the district and its systems and subsequent development within the district will have on the following:
 - (i) land elevation;
 - (ii) subsidence;
 - (iii) groundwater level within the region;
 - (iv) recharge capability of a groundwater source;
 - (v) natural run-off rates and drainage;
 - (vi) water quality;
 - (I) a table summarizing overlapping taxing entities and the most recent tax rates by those entities; and
 - (J) complete justification for creation of the district supported by evidence that the project is feasible, practicable, necessary, and will benefit all of the land to be included in the district;
- (6) a certificate by the county tax assessor indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition. If the tax rolls do not show the petitioner(s) to be the owners of the majority of value of the land within the proposed district, then the petitioner(s) shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of the land to the petitioner(s) and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the district;
- (7) a certified copy of the action of the governing body of any municipality in whose corporate limits or extraterritorial jurisdiction the proposed district is located, consenting to the creation of the proposed district pursuant to Texas Water Code, §54.016. For districts to be located in the extraterritorial jurisdiction of any municipality, if the governing body of any such municipality fails or

refuses to grant consent, the petitioners must show that provisions of Texas Water Code, §54.016 have been followed;

(8) if city consent was obtained pursuant to paragraph (7) of this subsection, then provide the following:

(A) evidence that the application conforms substantially to the city consent; provided, however, that nothing herein shall prevent the commission from creating a district with less land than included in the city consent;

(B) evidence that the city consent does not place any conditions or restrictions on a district other than those permitted by Texas Water Code, §54.016(e);

(C) evidence that the city consent provides for the notice to buyers of land required by Texas Water Code, §49.452(d) - (n) and (p), and §54.016(h)(4)(A), and complies with Texas Water Code, §54.016(h)(4)(B) by including in the required filings with the appropriate county clerk or clerks the information required by Texas Water Code, §54.016(h)(4)(A) and the provisions of Texas Water Code, §§49.455(c)-(j);

(9) the petitioners for districts proposed to be created within the corporate boundaries of a municipality should show that the city will rebate to the district an equitable portion of city taxes to be derived from the residents of the area proposed to be included in the district if such taxes are used by the city to finance elsewhere in the city services of the type the district proposes to provide. If like services are not to be provided, then an agreement regarding a rebate of city taxes is not necessary. Nothing in this subsection is intended to restrict the contracting authorization provided in the Local Government Code, §402.014;

(10) affidavits by those persons desiring appointment by the commission as temporary directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary directors, in accordance with Texas Water Code, §§54.102 and 49.052; and

(11) other data and information as the executive director may require.

(e) Creation applications for Chapter 55, Texas Water Code, Water Improvement Districts within 2 or more counties shall contain items listed in subsection (a) of this section and the following:

(1) a petition containing the matters required by Texas Water Code, §55.040 signed by persons holding title to more than 50 percent of all land in proposed district as indicated by county tax rolls, or by 50 qualified property taxpaying electors. The petition shall include the following:

(A) name of district;

(B) area and boundaries of district;

(2) a map showing the district boundaries in metes and bounds, area, physical culture, and computation sheet for survey closure;

(3) a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing the location of existing facilities including highways, roads, and other improvements, together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain and 100-year floodway, and any other information pertinent to the project including an inventory of any existing water, wastewater or drainage facilities;

(4) a preliminary engineering report including as appropriate:

(A) a description of existing area, conditions, topography and proposed improvements;

(B) land use plan;

(C) 100-year flood computations or source of information;

(D) existing and projected populations;

(E) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirement;

(F) projected tax rate and water and wastewater rates;

(G) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;

(H) an evaluation of the effect the district and its systems and subsequent development within the district will have on the following:

(i) land elevation;

(ii) subsidence;

(iii) groundwater level within the region;

(iv) recharge capability of a groundwater source;

(v) natural run-off rates and drainage;

(vi) water quality;

(I) a table summarizing overlapping taxing entities and the most recent tax rates by those entities; and

(J) complete justification for creation of the district supported by evidence that the project is practicable, would be a public utility, and would serve a beneficial purpose;

(5) a certificate by the county tax assessor indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition. If the tax rolls do not show the petitioner(s) to be the owners of the majority of the land within the proposed district, then the petitioner(s) shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of the land to the petitioner(s) and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the district; and

(6) other data and information as the executive director may require.

(f) Creation applications for Chapter 58, Texas Water Code, Irrigation Districts within 2 or more counties, shall contain items listed in subsection (a) of this section and the following:

(1) a petition containing the matters required by the Texas Water Code §§58.013 and 58.014 signed by persons holding title to land representing a total value of more than 50% of value of all land in proposed district as indicated by county tax rolls, or if there are more than 50 persons holding title to land in the proposed district, the petition can be signed by 50 of them. The petition shall include the following:

(A) name of district;

(B) area and boundaries;

(C) provision of the Texas Constitution under which district will be organized;

(D) purpose(s) of district;

(E) statement of the general nature of the work to be done and the necessity, feasibility, and utility of the project, with reasonable detail; and

(F) statement of the estimated costs of the project.

(2) evidence that the petition was filed with the office of the county clerk of the county(ies) in which the district or portions of the district are located;

(3) a map showing the district boundaries in metes and bounds, area, physical culture, and computation sheet for survey closure;

(4) a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing as applicable the location of existing facilities including highways, roads, and other improvements, together with the location of proposed irrigation facilities, general drainage patterns, principal drainage ditches and structures, sites, areas within the 100-year flood plain and 100-year floodway, and any other information pertinent to the project;

(5) a preliminary engineering report including the following as applicable:

(A) a description of existing area, conditions, topography and proposed improvements;

(B) land use plan, including a table showing irrigable and non-irrigable acreage;

(C) copies of any agreements, meeting minutes, contracts, or permits executed or in draft form with other entities including but not limited to federal, state or local entities or governments or persons;

(D) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirement;

(E) proposed budget including projected tax rate and/or fee schedule and rates;

(F) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;

(G) an evaluation of the effect the district and its systems will have on the following:

(i) land elevation;

(ii) subsidence;

(iii) groundwater level within the region;

(iv) recharge capability of a groundwater source;

(v) natural run-off rates and drainage;

(vi) water quality;

(H) a table summarizing overlapping taxing entities and the most recent tax rates by those entities; and

(I) complete justification for creation of the district supported by evidence that the project is feasible, practicable, necessary, and will benefit all of the land and residents to be included in the district and will further the public welfare;

(6) a certificate by the county tax assessor indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition or any amended petition. If the tax rolls do not show the petitioner(s) to be the owners of the majority of value of the land within the proposed district, then the petitioner(s) shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of

the land to the petitioner(s) and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the district;

(7) affidavits by those persons desiring appointment by the commission as temporary or initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary or initial directors, in accordance with Texas Water Code, §58.072; and

(8) other data as the executive director may require.

(g) Creation applications for Chapter 59, Texas Water Code, Regional Districts, shall contain items listed in subsection (a) of this section and the following:

(1) a petition, as required by Texas Water Code, §59.003, signed by the owner or owners of 2,000 contiguous acres or more; or by the county commissioners court of one, or more than one, county; or by any city whose boundaries or ETJ the proposed district lies within; or by 20% of the municipal districts to be included in the district. The petition shall contain:

(A) a description of the boundaries by metes and bounds or lot and block number, if there is a recorded map or plat and survey of the area;

(B) a statement of the general work, and necessity of the work;

(C) estimated costs of the work;

(D) name of the petitioner(s);

(E) name of the proposed district;

(F) if submitted by at least 20% of the municipal districts to be included in the regional district, such petition shall also include:

(i) a description of the territory to be included in the proposed district;
and

(ii) endorsing resolutions from all municipal districts to be included.

(2) evidence that a copy of the petition was filed with city clerk in each city where proposed district's boundaries cover in whole or part;

(3) if land in the corporate limits or ETJ of a city is proposed, documentation of city consent or documentation of having followed the process outlined in Texas Water Code, §59.006;

(4) a preliminary engineering report including as appropriate:

(A) a description of existing area, conditions, topography and proposed improvements;

- (B) land use plan;
 - (C) 100-year flood computations or source of information;
 - (D) existing and projected populations;
 - (E) tentative itemized cost estimates of the proposed capital improvements and itemized cost summary for anticipated bond issue requirement;
 - (F) projected tax rate and water and wastewater rates;
 - (G) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;
- (5) affidavits by those persons desiring appointment by the commission as temporary or initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary or initial directors, as required by Texas Water Code, §§59.021 and 49.052; and
- (6) other information as the executive director may require.
- (h) Creation applications for Chapter 65, Texas Water Code, Special Utility Districts, shall contain items listed in subsection (a) of this section and the following:
- (1) a certified copy of the resolution requesting creation, as required by Texas Water Code, §§65.014 and 65.015, signed by the president and secretary of the board of directors of the water supply corporation, and stating that the water supply corporation, acting through its board of directors, has found that it is necessary and desirable for the water supply corporation to be converted into a district. The resolution shall include the following:
 - (A) a description of the boundaries of the proposed district by metes and bounds or by lot and block number, if there is a recorded map or plat and survey of the area, or by any other commonly recognized means in a certificate attached to the resolution executed by a registered professional engineer;
 - (B) a statement regarding the general nature of the services presently performed and proposed to be provided, and the necessity for the services;
 - (C) name of the district;
 - (D) the names of not less than 5 and not more than 11 qualified persons to serve as the initial board.
 - (E) if the proposed district also seeks approval of an impact fee, the resolution should also include a request for approval of an impact fee and state the amount of the requested fee.

(2) the legal description accompanying the resolution requesting conversion of a water supply corporation, as defined in the Texas Water Code, §65.001(10), to a special utility district shall conform to the legal description of the service area of the water supply corporation as such service area appears in the certificate of public convenience and necessity issued by the commission or by the Public Utility Commission of Texas to the water supply corporation. Any area of the water supply corporation that overlaps another entity's certificate of convenience and necessity must be excluded unless the other entity consents in writing to the inclusion of its dually certified area in the district;

(3) a plat showing boundaries of proposed district as described in the petition;

(4) a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing the location of existing facilities including highways, roads, and other improvements, together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain and 100-year floodway, and any other information pertinent to the project including an inventory of any existing water or wastewater facilities;

(5) a preliminary engineering report including the following information unless previously provided to the commission:

(A) a description of existing area, conditions, topography and any proposed improvements;

(B) existing and projected populations;

(C) for proposed system expansion:

(i) tentative itemized cost estimates of any proposed capital improvements and itemized cost summary for any anticipated bond issue requirement;

(ii) an investigation and evaluation of the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;

(D) water and wastewater rates;

(E) projected water and wastewater rates;

(F) an evaluation of the effect the district and its system and subsequent development within the district will have on the following:

(i) land elevation;

(ii) subsidence;

(iii) groundwater level within the region;

(iv) recharge capability of a groundwater source;

(v) natural run-off rates and drainage;

(vi) water quality; and

(G) complete justification for creation of the district supported by evidence that the project is feasible, practicable, necessary, and will benefit all of the land to be included in the district;

(6) a certified copy of a certificate of convenience and necessity issued by the commission or its predecessor agency to the water supply corporation applying for conversion to a special utility district;

(7) a certified copy of the most recent financial report prepared by the water supply corporation;

(8) if requesting approval of an existing capital recovery fee or impact fee, supporting calculations and required documentation regarding such fee;

(9) certified copy of resolution and an order canvassing election results, adopted by the water supply corporation, which shows an affirmative vote of its membership to:

(A) authorize conversion to a special utility district operating pursuant to Texas Water Code, Chapter 65;

(B) approve the dissolution of the water supply corporation at such time as creation of the special utility district is approved by the commission;

(C) approve the conveyance of all the assets and debts of the water supply corporation to the special utility district upon dissolution; and

(10) affidavits by those persons named in the resolution for appointment by the commission as initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary or initial directors, in accordance with Texas Water Code, §§65.102 and 49.052 where applicable;

(11) affidavits indicating that the transfer of the assets and the certificate of convenience and necessity has been properly noticed to the executive director and customers in accordance with §291.110 of this title (relating to Report of Sale, Merger or Consolidation) and §291.111 of this title (relating to Transfer of Certificates of Convenience and Necessity); and

(12) other information as the executive director requires.

(i) Creation applications for Chapter 66, Texas Water Code, Stormwater Control Districts, shall contain items listed in subsection (a) or this section and the following:

(1) a petition as required by Texas Water Code, §§66.014, 66.015 and 66.016 requesting creation of a stormwater control district signed by at least 50 persons who reside within the boundaries of the proposed district or signed by a majority of the members of the county commissioners court in each county or counties in which the district is proposed. The petition shall include the following:

(A) a boundary description by metes and bounds or lot and block number if there is a recorded map or plat and survey;

(B) a statement of the general nature of the work proposed and an estimated cost of the work proposed; and

(C) the proposed name of the district;

(2) a map showing the district boundaries in metes and bounds, area, physical culture, and computation sheet for survey closure;

(3) a preliminary engineering report including:

(A) a description of the existing area, conditions, topography and proposed improvements;

(B) preliminary itemized cost estimate for the proposed improvements and associated plans for financing such improvements;

(C) a listing of other entities capable of providing same or similar services and reasons why those are unable to provide such services;

(D) copies of any agreements, meeting minutes, contracts, or permits executed or in draft form with other entities including but not limited to federal, state or local entities or governments or persons;

(E) an evaluation of the effect the district and its projects will have on the following:

(i) land elevations;

(ii) subsidence/groundwater level and recharge;

(iii) natural run-off rates and drainage;

(iv) water quality;

(F) a table summarizing overlapping taxing entities and the most recent tax rates by those entities;

(G) complete justification for creation of the district supported by evidence that the project is feasible, practical, necessary and will benefit all the land to be included in the district;

(4) affidavits by those persons desiring appointment by the commission as temporary or initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for temporary or initial directors, in accordance with Texas Water Code, §§66.102 and 49.052 where applicable; and

(5) other data as the executive director may require.

(j) Creation applications for Chapter 375, Local Government Code, Municipal Management Districts shall contain the items listed in subsection (a) of this section and the following:

(1) a petition requesting creation signed by owners of a majority of the assessed value of real property in proposed district, or 50 persons who own property in the proposed district, if more than 50 people own real property in the proposed district. The petition shall include the following:

(A) a boundary description by metes and bounds, or lot and block number if there is a recorded map or plat and survey;

(B) purpose(s) for which district is being created;

(C) general nature of the work, projects or services proposed to be provided, the necessity for those services, and an estimate of the costs associated with such;

(D) include name of proposed district, which must be generally descriptive of the location of the district, followed by "Management District";

(E) list proposed initial directors and experience and term of each; and,

(F) include a resolution of municipality in support of creation, if inside a city;

(2) a preliminary plan or report providing sufficient details on the purpose and projects of district as allowed in Chapter 375, Local Government Code including budget, statement of expenses revenues and sources of such revenues;

(3) a certificate by the county tax assessor indicating the owners and tax valuation of land within the proposed district as reflected on the county tax rolls as of the date of the petition or any amended petition. If the tax rolls do not show the petitioner(s) to be the owners of the majority of value of the land within the proposed district, then the petitioner(s) shall submit to the executive director a certified copy of the deed(s) tracing title from the person(s) listed on the county tax rolls as owners of the land to the petitioner(s) and any additional information required by the executive director necessary to show accurately the ownership of the land to be included in the district.

(4) affidavits by those persons desiring appointment by the commission as initial directors, showing compliance with applicable statutory requirements of qualifications and eligibility for initial directors, in accordance with §375.063 of the Texas Local Government Code.

Adopted September 30, 1996

Effective October 22, 1996

§293.12. Creation Hearing Notice Actions and Requirements.

(a) The chief clerk shall set the petition for hearing by the commission and issue notice thereof.

(b) The hearing notice actions and requirements for Texas Water Code, Chapter 36, Groundwater Conservation Districts, are as follows:

(1) notice must be published not later than the 30th day before the date of the hearing in at least one newspaper with general circulation in the county or counties in which the proposed district is to be located;

(2) posted on the bulletin board used for posting legal notices in each county in which all or part of the proposed district is to be located; and

(3) if a petition for the creation of a groundwater conservation district contains a request to create or alter the boundaries of a groundwater management area in all or part of the proposed district, the notice must also be given in accordance with the requirements of Texas Water Code, §35.006 and §§293.21-293.25 of this title (relating to Designation of Groundwater Management Areas);

(c) The hearing notice actions and requirements for Texas Water Code Chapter 51, multi-county Water Control & Improvement Districts, and for Chapter 58, multi-county Irrigation Districts are as follows:

(1) The chief clerk shall prepare one original and three copies of the notice for each county and send to the county clerk of each county in which the proposed district may be located. The county clerk shall retain one copy and deliver the original and two copies to the county sheriff;

(2) The sheriff of each county shall post one copy at the courthouse door of that county 15 days before the hearing and publish one in a newspaper of general circulation in that county once a week for two consecutive weeks. The first publication shall be at least 20 days before the hearing.

(d) The hearing notice actions and requirements for Texas Water Code, Chapter 54, Municipal Utility Districts and Chapter 59, Regional Districts are as follows:

(1) The chief clerk shall send a copy of the notice of hearing to all cities which have extraterritorial jurisdiction in the county or counties in which the proposed district is located and which have formally requested notice of creation of all districts in their county or counties. The chief clerk shall prepare a certificate indicating that notice was properly mailed to all these cities.

(2) The chief clerk shall send a copy of the notice of hearing to the petitioners, or their agents, who shall:

(A) cause the notice to be published in a newspaper with general circulation in the county or counties in which the proposed district is located once a week for two consecutive weeks with the first publication being at least 30 days prior to the date of the commission hearing;

(B) send the notice of the hearing by certified mail, return receipt requested, to all fee simple landowners, as reflected on the county tax rolls, whose property is located within the proposed district, except those who have signed the petition for creation at least 30 days prior to the date of the commission hearing. Ownership of the property shall be certified by the tax assessor and collector from the tax rolls as of the date of submitting the petition to the executive director.

(e) The hearing actions and notice requirements for Texas Water Code, Chapter 55, Water Improvement Districts to be located in more than one county are as follows:

(1) the chief clerk shall send a copy of the notice of hearing to the commissioners court of each county where land in the proposed district is located.

(2) The county clerk of each county shall post notice of the time and place of the hearing at the courthouse door.

(f) The hearing actions and notice requirements for Texas Water Code, Chapter 65, Special Utility Districts notice of the creation and transfer of the certificate of convenience and necessity, and for approval of an impact fee, if applicable, shall be accomplished as follows:

(1) The chief clerk shall send a copy of the notice of hearing to all cities which have extraterritorial jurisdiction in the county or counties in which the proposed district is located and which have formally requested notice of creation of all districts in their county or counties. The chief clerk shall prepare a certificate indicating that notice was properly mailed to all these cities.

(2) The chief clerk shall send a copy of the notice to the Public Utility Commission.

(3) The chief clerk shall send a copy of the notice of hearing to the petitioners, or their agents, who shall:

(A) cause the notice to be published in a newspaper with general circulation in the county or counties in which the proposed district is located once a week for two consecutive weeks with the first publication being at least 14 days prior to the date of the commission hearing.

(B) unless waived by executive director, mailed to customers of the water supply corporation and other affected parties at least 120 days prior to the date of the hearing including the following:

(i) name and business address of the district;

- (ii) a description of the service area involved;
- (iii) the anticipated effect of the conversion on the operation or the rates and services provided to customers; and
- (iv) a statement that persons may attend the hearing and participate in the process.

(C) Impact fee notice to be mailed to owners of property within the proposed district, except customers of the water supply corporation, at least 30 days prior to the date of the commission hearing, if the application for conversion concurrently requests approval of an impact fee.

(g) The hearing action and notice requirements for Texas Water Code, Chapter 66, Stormwater Control Districts, are that the chief clerk shall send a copy of the notice of hearing to the petitioners, or their agents, who shall cause the same to be published in a newspaper with general circulation in the county or counties in which the proposed district is located once a week for two consecutive weeks with the first publication being at least 30 days prior to the date of the commission hearing.

(h) The hearing action and notice requirements for Local Government Code, Chapter 375, Municipal Management Districts are as follows:

(1) The chief clerk shall send a copy of the notice of hearing to all counties in which the proposed district is located and all municipalities which have extraterritorial jurisdiction in the county or counties in which the proposed district is located and which have formally requested notice of creation of all districts in their county or counties. The chief clerk shall prepare a certificate indicating that notice was properly mailed to any such counties and/or municipalities.

(2) The chief clerk shall send a copy of the notice of hearing to the petitioners, or their agents, who shall:

(A) cause the notice to be published in a newspaper with general circulation in the municipality in which the proposed district is located once a week for two consecutive weeks with the first publication being at least 31 days prior to the date of the commission hearing;

(B) send the notice of the hearing by certified mail, return receipt requested, to all property owners within the district at least 30 days before the hearing.

Adopted September 30, 1996

Effective October 22, 1996

§293.13. Commission Actions Following Creation Hearing.

(a) If the commission finds that the petition does not conform to the requirements of the applicable statutes the commission shall deny the petition. With respect to regional plan implementation agencies, the commission will consider the regional plan submitted with the petition in connection with its findings.

(b) If the commission grants the petition for creation:

(1) the commission shall issue an order including a finding that the project meets applicable statutory requirements;

(2) if the commission finds that any of the lands to be included in the district will not be benefitted by the creation of the district, the commission shall exclude the lands not to be benefitted and shall redefine the boundaries of the proposed district to include only those lands that will receive benefits from the district;

(3) the commission shall appoint directors as provided in applicable statutes, who shall serve until permanent directors are elected and qualified;

(c) A copy of the order of the commission granting or denying the petition shall be mailed by the chief clerk to each city having extraterritorial jurisdiction and/or to each county.

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Effective October 22, 1996

§293.14. District Reporting Actions Following Creation.

(a) A certified copy of the order canvassing results of the confirmation election shall be recorded in the office of the county clerk of each county in which a portion of the district lies and shall be submitted to the executive director.

(b) The governing board of the district shall submit to the executive director the information required by §293.92 of this title (relating to Additional Reports and Information Required of Certain Districts) and a certificate from the county clerk of each county in which all or part of the district is located showing compliance with Texas Water Code, §49.455. The certificate shall show on its face the date of the confirmation election, and the date that the information required by Texas Water Code, §49.455, was filed with the county clerk(s).

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Effective October 22, 1996

§293.15. Addition of Wastewater and/or Drainage Powers and Conversion of Districts into Municipal Utility Districts.

(a) Any water improvement district, water control and improvement district, fresh water supply district, levee improvement district, irrigation district or any other conservation and reclamation district or any special utility district created under the Texas Constitution, Article XVI, §59, may be converted into a municipal utility district operating under the Texas Water Code, Chapter 54 or obtain additional wastewater and/or drainage powers.

(b) The application shall be accompanied by the following:

(1) a certified copy of the resolution adopted by the board of directors requesting the commission to hold a hearing on the question of conversion of the district or the addition of wastewater and/or drainage powers for the district;

(2) a \$700 application fee plus the cost of required notice, if any;

(3) unless waived by the executive director, a preliminary plan (22-24 inches by 36 inches or digital data in electronic format) showing the location of existing facilities including highways, roads, and other improvements together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain, and any other information pertinent to the project;

(4) unless waived by the executive director, a preliminary engineering report including:

(A) a description of existing area, conditions, topography and proposed improvements;

(B) land use plan;

(C) 100-year flood computations or source of information;

(D) existing and projected populations;

(E) tentative itemized cost estimates of the proposed capital improvements, if any and itemized cost summary for anticipated bond issue requirements;

(F) projected tax rate and water and wastewater rates; and

(G) total tax assessments on all land within the district.

(5) other data and information as the executive director may require.

(c) Prior to the hearing, the following requirements shall be met with evidence of such compliance filed with the chief clerk at or prior to the hearing:

(1) Notice of the hearing in a form issued by the chief clerk shall be given by publishing notice in a newspaper with general circulation in the county or counties in which the district is located. The notice shall be published once a week for two consecutive weeks with the first publication to be made not less than 30 days before the time set for the hearing. The notice shall:

(A) state the time and place of the hearing;

(B) set out the resolution adopted by the district in full; and

(C) notify all interested persons to appear and offer testimony for or against the proposed contained in the resolution.

(2) at least 30 days before the date of the hearing, notice of the hearing shall be sent by certified mail, return receipt requested, to all fee simple landowners, as reflected on the county tax rolls, whose property is located within the proposed district unless good cause is shown why such notice by mail should not be given.

(3) ownership of the property shall be certified by the tax assessor and collector from tax rolls or as reflected by the records of the appraisal district, whichever is more current, as of the date of the submitting the resolution to the commission.

(4) the district shall file its resolution requesting conversion or additional powers with the city secretary or clerk of each city, in whose corporate limits or extraterritorial jurisdiction any part of the district is located, concurrently with submitting its application for conversion to the commission.

(d) A special utility district formed pursuant to the Texas Water Code, Chapter 65, which applies for conversion to a district having taxing authority that provides water, wastewater or other public utility services, must comply with the requirements of Local Government Code, §42.042.

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Effective October 22, 1996